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goods but he points out that, for the individual, this order is frequently reversed:

"For him (the individual) the rate of interest is a relatively fixed fact, since his own time preference and resulting action can affect it only infinitesimally. His rate of preference is variable. In short, for him individually, the rate of interest is cause and the rate of preference, effect. For society as a whole, however, the order of cause and effect is reversed. This change is like the corresponding inversion of cause and effect in the theory of prices

* * *

While for the individual the rate of interest determines the rate of preference, for society the rates of preference of individuals determine the rate of interest. The rate of interest is simply the rate of preference, upon which the whole community may concur in order that market loans may be exactly cleared." With this presentation there is little room for disagreement, but some of us are forced to catch our breath when told (page 229) that "interest is not a part but the whole of income. It includes what is called rent and profits, and even wages; for the income of the workman may be capitalized quite as truly as the income of land or machinery. It is quite true that the source of any income may be evaluated by capitalizing the income—provided the source is a thing capable of being bought and sold—but this does not seem to the present writer a sufficient reason for wiping out the classical distinctions between land, labor and capital. This distinction, like all problems in classification, depends upon what we are trying to find out by our study, and whether the proposed distinction makes it any easier for us to find it out.

T. N. CARVER.

Harvard University.

Economic History of the United States. By ERNEST LUDLOW BOGART of Princeton University. (New York: Longmans, Green and Company, 1907. Pp. xv, 522. \$1.75).

Mr. Bogart divides our economic history into four periods: I, Colonial development; II, The struggle for commercial and economic independence, 1763-1808; III, The industrial revolution

and the westward movement, 1808-1860; IV, Economic integration and industrial organization, 1860-1906. It will be observed that the first period, covering at least one hundred and fifty years, is alone longer than the other three, which comprise forty-five, fifty-two, and forty-six years, respectively. Nevertheless the first period occupies but 20 per cent of the total space, whereas the second takes up, roughly, 10 per cent, the third about 25, and the fourth nearly 45. In other words, the first half of the book is devoted to the years before the Civil War, and this part is really historical in treatment; while the second half deals with matters virtually contemporary and seems to belong rather to descriptive economics. Whether this will prove a merit or a defect in a text book in economic history, will probably depend upon the plans of the teacher. If he uses it as introductory to other and more theoretical courses in economics, he may find the second half of the book quite as valuable as the first. If he takes it up with students who have already surveyed commercial geography, financial history, transportation, and the labor problem in separate courses, he may find the first half far better worth his while than the second.

Turning, then, to the more historical first half of Mr. Bogart's book, we find within each of the three parts a topical rather than a chronological treatment. Thus the first part, for example, comprises chapters on: English colonial theory and policy, Colonial industries, Agriculture and land tenure, The systems of labor, Population and communication. This arrangement has pedagogical advantages. It secures clearness of impression and concentration of interest. But, on the other hand, the author's "endeavor * * * to interrupt as little as possible the continuity of the narrative" has been cheated of complete success by his topical treatment, which often places factors of much importance outside the problems in which they were of weight. For instance, Mr. Bogart's account of the monetary confusion of the preconstitutional years will be found in chapter xvi, more than one hundred pages from his main discussion of that period in chapter viii. To be sure, the student can turn back and correlate the events for himself. But even with the help of the "suggestive topics and questions" appended to chapter xvi, how many students will do it?

A compendious treatment of so extended a field must be largely a compilation. Mr. Bogart's book is frankly so. In compiling it,

diligent use has apparently been made of the better books (often none too good) upon the several topics taken up, and the author's own conclusions are clearly and crisply set forth. It is probably an inevitable consequence of the present uneven development of our studies in economic history that Mr. Bogart has given much, and perhaps disproportionate attention to those subjects upon which there are careful monographs. The tariff, for instance, is made more prominent than its purely economic importance (or unimportance) deserves, while, on the other hand, the great significance which such a fact as the introduction of up-steam navigation on the Western rivers possessed for the whole country is not brought out as sharply as it well might be. Nevertheless the emphasis is in general well distributed. The dominant industrial character of the several periods is aptly caught and firmly kept in the foreground. But, on the other hand, the relation of economic facts, other than the tariff, to many political events, between the Revolution and the Civil War, such as the triumph of Jacksonianism or the annexation to the United States of territory formerly Mexican, scarcely appears at all. Now one need not accept the materialistic—or any other—“philosophy of history” in order to believe that both the political and the economic branches of that discipline may gain in interest by being brought to support one another. Indeed Mr. Bogart quite shares this view. His preface declares that “the history of this economic struggle is not one whit less interesting or dramatic than the political history of the same period, while it is absolutely essential to a thorough understanding of the latter.” But his text does not show in any detail how our economic history helps to the understanding of our political history. Perhaps he is well advised in relying upon the teacher for that.

A word should be said concerning the illustrations. A few of them, to be sure, belong in a history of inventions rather than an economic history (e.g., pp. 110, 111, 197), and it is an unhappy inadvertence which has placed in the account of the younger Pitt's commercial policy towards the United States (p. 102) a portrait of Chatham. But these are very minor blemishes. The illustrations are in general admirable—abundant, varied, apposite, and happily supplemented by brief but adequate explanatory notes.

It is to be regretted that the author does not occasionally indi-

eate the sources of his statements. The suggestive value of such footnotes is considerable for the student, and in cases where, as on page 99, several discrepant sets of figures are in circulation concerning the same matter, a reference seems positively called for.

The book is correctly printed and seems to have achieved a high degree of accuracy in its statement of facts. Of course there are slips. It is not true that the French treaty of 1778 was "finally annulled" (p. 104) in 1800, or that the rice crop of 1900 exceeded the wheat crop in value (p. 294). And the implication (p. 102) that the British Navigation Laws were reënacted after our Revolution is misleading, but not more so than the description of the Civil War (p. 356) as "practically cutting off foreign intercourse." But these are minor blemishes also, and such are not unduly frequent. All in all, Mr. Bogart's *Economic History* is the best text-book in its field. It stands the test of classroom use.

Cornell University.

CHARLES H. HULL.

Industrial America. Berlin Lectures, 1906. By J. LAURENCE LAUGHLIN, Professor of Political Economy in the University of Chicago. (New York: Charles Scribner's Sons, 1906. Pp. xi, 261. \$1. 25 net).

Professor Laughlin delivered the seven lectures now printed in book form at the University of Berlin in 1906. The book was not intended for specialists but for general readers who would find a discussion of the essential points in some of the economic problems, now confronting the United States, instructive and interesting. The author has presented his material with great discrimination and at the same time shown in each instance the evolution through which we have passed in arriving at the point of the specific problems dealt with in the course of the book. The best chapters are those dealing with protection, labor, trusts, railways and banks. The first chapter displays a bit of characteristic American chauvinism, in the consideration of American competition with Europe. The last chapter shows what amounts to impatience and discouragement regarding the present status of economic thinking in the United States. The book is stimulating and even for the so-called specialist has a real value in recalling some phases of present day